

PROPOSED REGULATION OF THE COMMISSIONER OF INSURANCE

LCB File No. R035-12

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: NRS 679B.130; NRS 679B.136

A REGULATION concerning insurance transactions by electronic means.

Section 1. Chapter 679B of NAC is hereby amended by adding thereto a new section to read as follows:

1. Insurance transactions by electronic means, including transactions involving claims, electronic signatures, electronic payments or other insurance-related electronic records are permitted if each party to the transaction has agreed to conduct the transaction by electronic means.

2. If the insured, claimant, or other party to an insurance transaction agrees to conduct transactions by electronic means, the acceptance to conduct the transactions electronically must be documented by the insurer and include the following:

(a) The name of the party agreeing to conduct a transaction by electronic means;

(b) The type of electronic transaction(s) agreed to; and

(c) The date and time of the agreement.

3. Any record that must be retained by an insurer may be retained electronically provided the insurer can accurately reproduce the record if requested by a party entitled to the record, such as the insured, the claimant or the Commissioner of Insurance.

4. A party that agrees to conduct a specific transaction(s) by electronic means may refuse to conduct other transactions by electronic means.

5. Except as otherwise provided by law, any notice that terminates a policy of insurance, including a notice of cancellation or nonrenewal, may not be sent solely by electronic means.

Sec. 2. Title 57 of NAC is hereby amended by adding thereto a new chapter (691D) to read as follows:

1. An insurer of portable electronics insurance may send by electronic means any notice required pursuant to Chapter 691D of the NRS if:

(a) The insurer has notified the policyholder and each enrolled customer that:

(1) Notice will be sent by electronic means; and

(2) The policyholder or enrolled customer has a right to refuse, in writing, to receive such notices electronically; and

(b) The policyholder or enrolled customer has not refused, in writing, to receive notices electronically.

2. An insurer of portable electronics insurance must maintain a complete record of the notice and be capable of accurately reproducing the notice at the request of the policyholder, the enrolled customer or the Commissioner of Insurance.